

FUEL-ENERGY TAX INFORMATION

1) FUEL-ENERGY TAX IN GENERAL

Section 52-14 of the Montgomery County Code, as amended.

In general, **non-residential** distributions shall include businesses, hotels, motels, government and non-profit organizations such as schools, churches and hospitals.

In general, **residential distributions** shall include single and multiple family dwelling units, apartments, condos, school dormitories, nursing homes and other long-term care facilities.

2) ACCOUNT NUMBERS AND QUESTIONS

To obtain an application for a new account or to answer any questions contact the Division of Treasury, Excise Tax Unit, 255 Rockville Pike, Suite L-15, Rockville, Maryland 20850. Phone (240) 777-8928.

3) SCHEDULED DUE DATES

Monthly returns must be filed on or before the 15th of each month, covering the immediate preceding month. Upon written application to and with the consent of the Director of Finance, the following schedule may be adopted for filing quarterly returns.

For Months Of:

January, February, March
April, May, June
July, August, September
October, November, December

Return Due On Or Before:

April 15th
July 15th
October 15th
January 15th

When using the above schedule for filing, a return for each month must be completed.

4) INTEREST AND PENALTIES

Avoid penalties and interest by filing correct returns on time and by paying correct tax due with return. The law provides a penalty of 10% and interest at the rate of $\frac{1}{2}$ of 1% per month or fraction of a month for late filing of returns or for failure to make timely remittance of tax due. Penalties are also imposed by law for making false statements and for willful failure to pay, keep records or file returns.

5) RECORDS

Copies of your returns and all records and information in support of all returns, credits, exemptions, etc., should be maintained at your place of business or other convenient location for a period of at least two (2) years from date of tax return. Such records should be available and open to inspection of Director of Finance or authorized representative. Maryland law provides for assessment of back taxes for a period of seven years from due date of return.

6) EXEMPTIONS FROM TAX

Some transactions are exempt by law, such as sales to users who consume the fuels or energies in converting to another form of energy which will become subject to fuel energy tax. Indicating the purchaser's fuel energy tax number on sales invoices, which should be retained in your records, should support those sales exempt from taxes. Any questionable transactions should be referred in writing to the Director of Finance. Also exempt to the reporting taxpayers are sales and/or deliveries to other dealers; in Montgomery County for resale. All sales or deliveries in Montgomery County, including exempt sales or deliveries, should be reported in Column 1, and exempt sales or deliveries should be reported in Column 2 in arriving at net sales subject to tax (Column 3).

7) RATE OF TAX (*Effective July 1, 2004*)

The Montgomery County Council by Resolution, effective for distributions made after 12:01 a.m., July 1, 2004, has established increased rates for fuels and energy transmitted, distributed, manufactured, produced or supplied for *non-residential* purposes and for *residential* purposes as reflected on the form.

8) CONFIDENTIALLY

Individual taxpayer information provided on the return is confidential and is not shared with other entities.